

INTERSTATE INSURANCE PRODUCT REGULATION COMMISSION

NOTICE OF PROPOSED RULE

Date Issued: June 24, 2019

Proposed Uniform Standards: Single Premium Group Fixed Annuity Contract Uniform Standards for Employer Groups

Rulemaking Citation Number: RNUS 2019-2

- 1. Purpose of Proposed New Rule:** The purpose of this rule is to establish reasonable uniform standards for group immediate or deferred single premium group fixed annuity contracts that are issued to employers, or the trustees of a fund established by an employer, and are permitted in the jurisdiction where the contract is delivered or issued for delivery. These contracts are used as part of a pension risk transfer. The standards apply to single premium, fixed payments where funds are held in the general or in a book value separate account where the amount of the benefits paid under the contract pursuant to the guarantees will not vary with the investment performance of the separate account. The insurance company guarantees all annuity payments purchased under the contract. The contract provisions reflect the provisions of the plan. The contracts may provide benefits to eligible plan participants who are annuitants and their beneficiaries or alternate payees. Separate additional standards apply to group annuity certificates.
- 2. Legal Authority:** The Commission is authorized to create uniform standards for products by Article IV, Section 2 of the Interstate Insurance Product Regulation Compact, as enacted into law by each compacting state.
- 3. Text of Proposed New Rule:** The Proposed Uniform Standards are available on the Commission's website (www.insurancecompact.org) and included with this notice as a separate document.
- 4. Where, When, and How Persons May Present Their Views:** The Management Committee for the Commission will accept written comment on the Proposed Standards until **August 23, 2019**. Written comments may be delivered via electronic mail to comments@insurancecompact.org, or via mail to the Management Committee c/o Karen Schutter, 444 North Capitol Street, NW, Suite 700 Hall of States, Washington DC 20001-1509.
- 5. Where, When, and How Persons May Request a Public Hearing:** Written requests for a public hearing on the Proposed Uniform Standards must be received no later than **July 15, 2019**. Persons who may request a public hearing are Commission members, the Management Committee, the Legislative Committee, the Consumer

Advisory Committee, the Industry Advisory Committee, or a person or organization representing at least 25 persons affected by the Proposed Standards. Written requests may be delivered via electronic mail to comments@insurancecompact.org, or via mail to the Management Committee c/o Karen Schutter, Executive Director, 444 North Capitol Street, NW, Suite 700 Hall of States, Washington DC 20001-1509.